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DAVIS POLK & WARDWELL

450 LEXINGTON AVENUE

NEW YORK, N.Y. 10017

212-450-4000

FAX: 212-450-4800

1 CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

1300 I STREET, N.W.
WASHINGTON, D.C. 20005

4, PLACE DE LA CONCORDE
75008 PARIS

1 FREDERICK'S PLACE
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2-1, MARUNOUCHI 1-CHOME
CHIYODA-KU, TOKYO 100

MESSEUR
6000 FRANKFURT AM MAIN 1

WRITER'S DIRECT NUMBER:

(212) 450-4420

December 29, 1992

The Interstate Commerce Commission
12th and Constitution NW
RM 2303
Washington, D.C. 20423
Attention: Ms. Mildred Lee

RECORDATION NO 18065

DEC 30 1992 10 45 AM

INTERSTATE COMMERCE COMMISSION

Dear Ms. Lee:

Enclosed please find 2 executed and notarized copies of a Security Agreement which includes rolling stock as collateral to be filed with the Interstate Commerce Commission. Also enclosed is a check for \$32.00 representing the required filing fee.

The parties involved are The Chase Manhattan Bank N.A., as Collateral Agent, and Hampshire Chemical Corp., obligor.

The addresses of the aforementioned are as follows:

The Chase Manhattan Bank N.A.
One Chase Manhattan Plaza
N.Y., N.Y. 10081

Hampshire Chemical Corp. *agent*
55 Hayden Avenue
Lexington, MA 02173

After the document has been filed, please return the filed stamped copy to my attention at the address listed above. Please acknowledge receipt of this filing package by stamping the enclosed copy of this letter and returning it to the messenger who has been instructed to wait.

Sincerely,

Kevin Knoblock

Kevin Knoblock
Legal Assistant

Countryman Lawrence David

Dec 30 10 40 AM '92
RECEIVED
FBI NEW YORK

DAVIS POLK & WARDWELL

480 LEXINGTON AVENUE

NEW YORK N Y 10017

WRITER'S DIRECT NUMBER

CHANCE MANHATTAN PLAZA
NEW YORK N Y 10017

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WASHINGTON D C 20004

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WASH DC 20004

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Interstate Commerce Commission
Washington, D.C. 20423

12/29/92

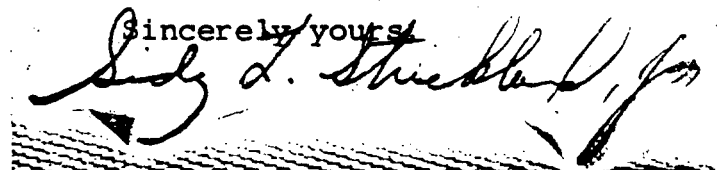
OFFICE OF THE SECRETARY

Kevin Knoblock

Davis Polk & Wardwell
450 Lexington Avenue
New York, N.Y. 10017

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/29/92 at 10:45am, and assigned recordation number(s). 18065

Sincerely yours,

Secretary

SIDNEY L. STRICKLAND, JR.

Enclosure(s)

SE-30
(7/79)

18065
RECORDATION NO. _____ FILED 1425

DEC 30 1992 - 10 45 AM
INTERSTATE COMMERCE COMMISSION

COMPANY
SECURITY AGREEMENT

AGREEMENT dated as of December 29, 1992 between HAMPSHIRE CHEMICAL CORP., a Delaware corporation (with its successors, the "Company"), and THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), as collateral agent (with its successors in such capacity, the "Collateral Agent").

W I T N E S S E T H :

WHEREAS, the Company, certain lenders (the "Lenders"), The Chase Manhattan Bank (National Association) ("Chase") and Fleet Credit Corporation, as co-agents (the "Co-Agents"), and Chase, as administrative agent (the "Administrative Agent"), are parties to a Credit Agreement dated as of December 29, 1992 (as the same may be amended and in effect from time to time, the "Credit Agreement"), providing, subject to the terms and conditions thereof, for extensions of credit (by making loans and issuing letters of credit) to be made by the Lenders to the Company;

WHEREAS, New York Life Insurance Company (the "Note Purchaser") and the Company are parties to a Note Purchase Agreement dated as of December 29, 1992 (as the same may be amended and in effect from time to time, the "Note Purchase Agreement"), pursuant to and subject to the terms and conditions of which the Company is issuing \$22,500,000 aggregate principal amount of its 10.5% Senior Secured Notes due June 25, 2002 to the Note Purchaser;

WHEREAS, the Company may, after the date hereof, become obligated to one or more Senior Creditors under one or more Interest Rate Agreements (defined as provided below) as contemplated by Section 22 of Appendix D of the Uniform Provisions (as defined below); and

WHEREAS, in order to induce the Lenders, the Co-Agents and the Administrative Agent to enter into the Credit Agreement, in order to induce the Senior Creditors to enter into any Interest Rate Agreements and in order to induce the Note Purchaser to enter into the Note Purchase Agreement, the Company has agreed to grant a continuing security interest in and to the Collateral (as defined

below) to secure its obligations under the Financing Documents (defined as provided below), including, without limitation, its obligations under the notes issued pursuant to the Senior Creditor Agreements (defined as provided below) and its reimbursement obligations with respect to letters of credit issued pursuant to the Credit Agreement and its obligations in respect of Secured Interest Rate Indebtedness (as defined below); and

WHEREAS, the Lenders and the Note Purchaser have appointed the Collateral Agent to act as their collateral agent in connection with the foregoing transactions;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Definitions

Terms defined in the Credit Agreement on the date hereof and Appendix A of the Uniform Provisions and not otherwise defined herein have, as used herein, the respective meanings provided for therein. The following additional terms, as used herein, have the following respective meanings:

"Accounts" means all "accounts" (as defined in the UCC) now owned or hereafter acquired by the Company and shall also mean and include all accounts receivable, contract rights, book debts, notes, drafts and other obligations or indebtedness owing to the Company arising from the sale, lease or exchange of goods or other property by it and/or the performance of services by it (including, without limitation, any such obligation which might be characterized as an account, contract right or general intangible under the Uniform Commercial Code in effect in any jurisdiction) and all of the Company's rights in, to and under all purchase orders for goods, services or other property, and all of the Company's rights to any goods, services or other property represented by any of the foregoing (including returned or repossessed goods and unpaid sellers' rights of rescission, replevin, reclamation and rights to stoppage in transit) and all monies due to or to become due to the Company under all contracts for the sale, lease or exchange of goods or other property and/or the performance of services by it (whether or not yet earned by performance on the part of the Company), in each case whether now in existence or hereafter arising or acquired including, without limitation, the right to receive the proceeds of said purchase orders and contracts and all collateral security and guarantees of any kind given by any Person with respect to any of the foregoing.

"Collateral" has the meaning set forth in Section 3 (A).

"Collateral Account" has the meaning set forth in Section 5 (A).

"Copyright License" means any agreement now or hereafter in existence granting to the Company, or pursuant to which the Company has granted to any other Person, any right to use, copy, reproduce, distribute, prepare derivative works, display or publish any records or other materials on which a Copyright is in existence or may come into existence, including, without limitation, the agreements identified in Schedule 1 to Exhibit D hereto (as amended after the date hereof).

"Copyrights" means all the following: (i) all copyrights under the laws of the United States or any other country (whether or not the underlying works of authorship have been published), all registrations and recordings thereof, all intellectual property rights to works of authorship (whether or not published), and all applications for copyrights under the laws of the United States or any other country, including, without limitation, registrations, recordings and applications in the United States Copyright Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including, without limitation, those described in Schedule 1 to Exhibit D hereto (as amended after the date hereof), (ii) all reissues, renewals and extensions thereof, (iii) all claims for, and rights to sue for, past or future infringements of any of the foregoing, and (iv) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including, without limitation, damages and payments for past or future infringements thereof.

"Copyright Security Agreement" means a Copyright Security Agreement executed and delivered by the Company in favor of the Collateral Agent, for the benefit of the Secured Parties, substantially in the form of Exhibit D hereto, as the same may be amended from time to time.

"Documents" means all "documents" (as defined in the UCC) or other receipts covering, evidencing or representing goods, now owned or hereafter acquired, by the Company.

"Equipment" means all "equipment" (as defined in the UCC) now owned or hereafter acquired by the Company,

including, without limitation, all motor vehicles, trucks, trailers and Rolling Stock.

"General Intangibles" means all "general intangibles" (as defined in the UCC) now owned or hereafter acquired by the Company.

"Instruments" means all "instruments", "chattel paper" or "letters of credit" (each as defined in the UCC) evidencing, representing, arising from or existing in respect of, relating to, securing or otherwise supporting the payment of, any of the Accounts, including (but not limited to) promissory notes, drafts, bills of exchange and trade acceptances, now owned or hereafter acquired by the Company.

"Intercreditor Agreement" means the Intercreditor Agreement dated as of December 29, 1992 among the Senior Creditors and the Collateral Agent and acknowledged by the Company.

"Inventory" means all "inventory" (as defined in the UCC), now owned or hereafter acquired by the Company, wherever located, and shall also mean and include, without limitation, all raw materials and other materials and supplies, work-in-process and finished goods and any products made or processed therefrom and all substances, if any, commingled therewith or added thereto.

"Leased Rolling Stock" has the meaning set forth in Section 3(A).

"Lockbox Account" means the "Lockbox Account" established under the Lockbox Agreement.

"Lockbox Agreement" means the Lockbox Agreement dated as of December 29, 1992 among the Company, the Collateral Agent and the Lockbox Bank substantially in the form of Exhibit H hereto.

"Lockbox Bank" means The First National Bank of Boston, as Lockbox Bank under the Lockbox Agreement.

"Majority Senior Creditors" means Senior Creditors having at least 51% of the aggregate amount of outstanding Term Loans, Institutional Notes and Working Capital Commitments (as reduced from time to time pursuant to Section 2.03 of the Credit Agreement).

"Patent License" means any agreement now or hereafter in existence granting to the Company, or pursuant to which the Company has granted to any other Person, any right with respect to any Patent or any invention now or

hereafter in existence, whether patentable or not, whether a patent or application for patent is in existence on such invention or not, and whether a patent or application for patent on such invention may come into existence, including, without limitation, the agreements identified in Schedule 1 to Exhibit B hereto.

"Patents" means all the following: (i) all letters patent and design letters patent of the United States or any other country and all applications for letters patent and design letters patent of the United States or any other country, including, without limitation, applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including, without limitation, those described in Schedule 1 to Exhibit B hereto, (ii) all reissues, divisions, continuations, continuations-in-part, renewals and extensions thereof, (iii) all claims for, and rights to sue for, past or future infringements of any of the foregoing and (iv) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including, without limitation, damages and payments for past or future infringements thereof.

"Patent Security Agreement" means the Patent Security Agreement executed and delivered by the Company in favor of the Collateral Agent, for the benefit of the Secured Parties, substantially in the form of Exhibit B hereto, as the same may be amended from time to time.

"Perfection Certificate" means a certificate substantially in the form of Exhibit A hereto, completed and supplemented with the schedules and attachments contemplated thereby to the satisfaction of the Collateral Agent, and duly executed by the chief financial officer and the chief legal officer of the Company.

"Permitted Liens" means the Security Interests and the other Liens on the Collateral permitted to be created, assumed or exist pursuant to Section 14 of Appendix D of the Uniform Provisions.

"Proceeds" means all proceeds of, and all other profits, products, rentals or receipts, in whatever form, arising from the collection, sale, lease, exchange, assignment, licensing or other disposition of, or other realization upon, collateral, including, without limitation, all claims of the Company against third parties for loss of, damage to or destruction of, or for proceeds payable under, or unearned premiums with respect to, policies of insurance in respect of, any collateral, and any condemnation or

requisition payments with respect to any collateral, in each case whether now existing or hereafter arising.

"Rolling Stock" means all railcars, barges and other water carrier equipment, including, without limitation, those listed in Exhibit E hereto, and all accessions, appurtenances and parts installed on and additions thereto, and replacements thereof, now owned or hereafter acquired by the Company.

"Rolling Stock Leases" has the meaning set forth in Section 3(A).

"Rolling Stock Revenues" means any monies, revenues, payments or credits now owned or hereafter acquired by the Company which are generated by or attributable to the Rolling Stock or Leased Rolling Stock, including, without limitation, railcar hire payments, mileage allowances, per diem mileage payments, empty mileage allowances, mileage credits and excess mileage credits, in each case whether now existing or hereafter arising.

"Secured Interest Rate Indebtedness" means the obligations of the Company to the Senior Creditors or any of them in respect of the Interest Rate Agreements contemplated by Section 22 of Appendix D of the Uniform Provisions.

"Secured Obligations" means the obligations secured under this Agreement, including (a) all principal of and interest (including, without limitation, any interest which accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of the Company) on any Loan to the Company under, or any Note issued by the Company pursuant to, or any Reimbursement Obligation of the Company under, the Credit Agreement; (b) all principal of and interest (including, without limitation, any interest which accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of the Company) on the Institutional Notes issued pursuant to the Note Purchase Agreement; (c) all other amounts payable by the Company under the Financing Documents; (d) all obligations of the Company to the Secured Parties constituting Secured Interest Rate Indebtedness; and (e) any renewals or extensions of any of the foregoing.

"Secured Parties" means (i) the Lenders, (ii) the Noteholders, (iii) the Administrative Agent and (iv) the Collateral Agent.

"Security Interests" means the security interests granted pursuant to Section 3, as well as all other security interests created or assigned as additional security for the

Secured Obligations pursuant to the provisions of this Agreement.

"Trademark License" means any agreement now or hereafter in existence granting to the Company, or pursuant to which the Company has granted to any other Person, any right to use any Trademark, including, without limitation, the agreements identified on Schedule 1 to Exhibit C hereto.

"Trademarks" means all of the following: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, brand names, trade dress, prints and labels on which any of the foregoing have appeared or appear, package and other designs, and any other source or business identifiers, and general intangibles of like nature, and the rights in any of the foregoing which arise under applicable law, (ii) the goodwill of the business symbolized thereby or associated with each of them, (iii) all registrations and applications in connection therewith, including, without limitation, registrations and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including, without limitation, those described in Schedule 1 to Exhibit C hereto, (iv) all reissues, extensions and renewals thereof, (v) all claims for, and rights to sue for, past or future infringements of any of the foregoing and (vi) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including, without limitation, damages and payments for past or future infringements thereof.

"Trademark Security Agreement" means the Trademark Security Agreement executed and delivered by the Company in favor of the Collateral Agent, for the benefit of the Secured Parties, substantially in the form of Exhibit C hereto, as the same may be amended from time to time.

"UCC" means the Uniform Commercial Code as in effect on the date hereof in the State of New York; provided that if by reason of mandatory provisions of law, the perfection or the effect of perfection or non-perfection of the Security Interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "UCC" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection.

"Uniform Provisions" means the provisions set forth in Appendices A, B, C, D and E to the Senior Creditor Agreements.

SECTION 2. Representations and Warranties

The Company represents and warrants as follows:

(A) The Company has good and marketable title to all of the Collateral, free and clear of any Liens other than the Permitted Liens. The Company has taken all actions necessary under the UCC to perfect its interest in any Accounts purchased by it or in which it otherwise has an interest, as against its assignors and creditors of its assignors, to the extent that a security interest may be perfected therein under the UCC.

(B) The Company has not performed any acts which might prevent the Collateral Agent from enforcing any of the terms of this Agreement or which would limit in any material respect the Collateral Agent in any such enforcement in a manner not contemplated in the Senior Creditor Agreements. Other than financing statements or other similar or equivalent documents or instruments with respect to the Security Interests and Permitted Liens, no financing statement, mortgage, security agreement or similar or equivalent document or instrument covering all or any part of the Collateral is on file or of record in any jurisdiction in which such filing or recording would be effective to perfect a Lien on such Collateral. No Collateral is in the possession of any Person (other than the Company) asserting any claim thereto or security interest therein, except that the Collateral Agent or its designee may have possession of Collateral as contemplated hereby.

(C) Not later than the earlier of the date of the first borrowing under the Credit Agreement and the date of the first purchase and sale of Institutional Notes pursuant to the Note Purchase Agreement, the Company shall deliver the Perfection Certificate to the Collateral Agent. The information set forth therein shall be correct and complete. Not later than 60 days following the date of the first borrowing, the Company shall cause to be delivered to the Collateral Agent file search reports from each filing office set forth in Schedule 7 to the Perfection Certificate or other evidence satisfactory to the Majority Senior Creditors acting through the Collateral Agent confirming the filing information set forth in such Schedule.

(D) The Security Interests constitute valid security interests under the UCC securing the Secured Obligations to the extent that it is possible to create a

valid security interest therein under the UCC. When UCC financing statements in the form specified in the Perfection Certificate have been filed in the offices specified in the Perfection Certificate, and this Agreement and any amendments hereto in appropriate form have been filed in the office of the Secretary of the Interstate Commerce Commission, with respect to any Rolling Stock, Leased Rolling Stock or Rolling Stock Leases, the Security Interests shall constitute perfected security interests in the Collateral (except Inventory in transit) to the extent that a security interest therein may be perfected by filing pursuant to the UCC and the Interstate Commerce Act, prior to all other Liens and rights of others therein except for the Permitted Liens. When the Patent Security Agreement and the Trademark Security Agreement have been filed with the United States Patent and Trademark Office, the Security Interests shall constitute perfected security interests in all right, title and interest of the Company in Patents and Trademarks, prior to all other Liens and rights of others therein except for the Permitted Liens. When a Copyright Security Agreement has been filed with the United States Copyright Office, the Security Interests shall constitute perfected security interests in all right, title and interest of the Company in Copyrights, prior to all other Liens and rights of others therein except for the Permitted Liens.

(E) All Inventory has or will have been produced in compliance with the applicable requirements of the Fair Labor Standards Act, as amended, except to the extent that a failure to do so would not subject the Company to a liability in excess of \$250,000.

SECTION 3. The Security Interests

(A) In order to secure the full and punctual payment of the Secured Obligations in accordance with the terms thereof, and to secure the performance of all of the obligations of the Company hereunder, under the Financing Documents and under the Secured Interest Rate Indebtedness, the Company hereby pledges, hypothecates, assigns by way of security, transfers and grants to the Collateral Agent for the ratable benefit of the Secured Parties a continuing security interest in and to all right, title and interest of the Company in and to the following property, whether now owned or existing or hereafter acquired or arising and regardless of where located (all being collectively referred to as the "Collateral"):

- (1) Accounts;
- (2) Inventory;

- (3) General Intangibles;
- (4) Documents;
- (5) Instruments;
- (6) Equipment;

(7) The Collateral Account, all cash deposited therein from time to time, the Liquid Investments made pursuant to Section 5(D) and other monies and property of any kind of the Company in the possession or under the control of the Collateral Agent;

(8) All books and records (including, without limitation, customer lists, marketing information, credit files, price lists, operating records, vendor and supplier price lists, sales literature, computer programs, printouts and other computer materials and records) of the Company pertaining to any of the Collateral;

(9) All right, title, claims and benefits now owned or hereafter acquired by the Company in and to any railcar leases, subleases, rental agreements and car hire contracts in which the Company shall at any time have any interest, including, without limitation, those railcar leases listed in Exhibit E hereto, and any right, title, claim and benefits of the Company now owned or hereafter acquired in and to any management agreement concerning all such leases and agreements (collectively, "Rolling Stock Leases"); and all right, title and interest of the Company in the railcars and equipment, including, without limitation, those railcars listed in Exhibit E hereto, provided pursuant to any Rolling Stock Leases, including, without limitation, those railcars listed in Exhibit E hereto ("Leased Rolling Stock"); in each case, including, without limitation, all rights of the Company to receive and apply any Rolling Stock Revenues attributable to any Leased Rolling Stock or pursuant to any Rolling Stock Leases;

(10) All rights now owned or hereafter acquired by the Company to receive and collect any Rolling Stock Revenues;

(11) All Proceeds of, attachments or accessions to, substitutions for, or replacements of, all or any of the Collateral described in Clauses 1 through 10 hereof.

(B) The Security Interests are granted as security only and shall not subject the Collateral Agent or any other Secured Party to, or transfer or in any way affect or modify, any obligation or liability of the Company with respect to any of the Collateral or any transaction in connection therewith.

SECTION 4. Further Assurances; Covenants

(A) (I) The Company will not change (i) the location of its chief executive office or its chief place of business or (ii) the locations where it keeps or holds any Collateral (other than Inventory, Equipment and Rolling Stock in transit) or records relating thereto from the applicable location described in the Perfection Certificate unless it shall have given the Collateral Agent notice thereof and an opinion of counsel with respect thereto in accordance with Section 4(M). The Company shall not in any event change the location of any Collateral if such change would cause the Security Interests in such Collateral to lapse or cease to be perfected.

(II) The Company will not change its name, identity or corporate structure in any manner unless it shall have given the Collateral Agent prior notice thereof and delivered an opinion of counsel with respect thereto in accordance with Section 4(M).

(B) The Company will, from time to time, at its expense, execute, deliver, file and record any statement, assignment, instrument, document, agreement or other paper and take any other action (including, without limitation, any filings with the United States Patent and Trademark Office, any filings with the United States Copyright Office, any filings with the Interstate Commerce Commission, any filings of financing or continuation statements under the UCC and any filings in, or agreements governed by the laws of, any foreign jurisdictions) that from time to time may be necessary or desirable, or that the Collateral Agent determines is necessary or desirable or reasonably requests, in order to create, preserve, upgrade in rank (to the extent required hereby), perfect, confirm or validate the Security Interests or to enable the Collateral Agent and the other Secured Parties to obtain the full benefits of this Agreement, or to enable the Collateral Agent to exercise and enforce, or facilitate the exercise and enforcement of, any of its rights, powers and remedies hereunder with respect to any of the Collateral. To the extent permitted by law, the Company hereby authorizes the Collateral Agent to execute and file financing statements or continuation statements without the Company's signature appearing thereon. The Company agrees that a carbon, photographic or other reproduction of this Agreement or of a financing statement

is sufficient as a financing statement. The Company shall pay the costs of, or incidental to, any recording or filing of any financing or continuation statements concerning the Collateral.

(C) If any Collateral is at any time in the possession or control of any warehouseman, bailee or any of the Company's agents or processors, the Company shall, upon the request of the Collateral Agent acting on the instructions of the Majority Senior Creditors, notify such warehouseman, bailee, agent or processor of the Security Interests created hereby and instruct such Person to hold all such Collateral for the Collateral Agent's account subject to the Collateral Agent's instructions.

(D) The Company shall keep full and accurate books and records relating to the Collateral, and stamp or otherwise mark such books and records in such manner as the Majority Senior Creditors may reasonably request in order to reflect the Security Interests. The Company shall provide the Collateral Agent with reasonable access to such books and records.

(E) The Company will immediately deliver and pledge each Instrument to the Collateral Agent, appropriately endorsed to the Collateral Agent, provided that so long as no Event of Default shall have occurred and be continuing, the Company may retain for collection in the ordinary course any Instruments (other than checks and drafts constituting payments in respect of Accounts, as to which the provisions of Section 5(B) shall apply) received by it in the ordinary course of business and the Collateral Agent shall, promptly upon request of the Company, make appropriate arrangements for making any other Instrument pledged by the Company available to it for purposes of presentation, collection or renewal (any such arrangement to be effected, to the extent deemed appropriate to the Collateral Agent, against trust receipt or like document).

(F) Subject to the immediately succeeding sentence, the Company shall use its best efforts to cause to be collected from its account debtors, as and when due, any and all amounts owing under or on account of each Account (including, without limitation, Accounts which are delinquent, such Accounts to be collected in accordance with lawful collection procedures) and to apply forthwith upon receipt thereof all such amounts as are so collected to the outstanding balance of such Account. Unless an Event of Default has occurred and is continuing and the Collateral Agent is exercising its rights hereunder to collect Accounts, the Company may allow in the ordinary course of business as adjustments to amounts owing under its Accounts (i) an extension or renewal of the time or times of payment,

or settlement for less than the total unpaid balance, which the Company finds appropriate in accordance with sound business judgment and (ii) a refund or credit due as a result of returned or damaged merchandise, all in accordance with the Company's ordinary course of business consistent with its historical collection practices. The costs and expenses (including, without limitation, attorney's fees) of collection, whether incurred by the Company or the Collateral Agent, shall be borne by the Company.

(G) Upon the occurrence and during the continuance of any Event of Default, upon the request of the Majority Senior Creditors acting through the Collateral Agent, the Company will promptly notify (and the Company hereby authorizes the Collateral Agent so to notify) each account debtor in respect of any Account or Instrument that such Collateral has been assigned to the Collateral Agent hereunder, and that any payments due or to become due in respect of such Collateral are to be made directly to the Collateral Agent or its designee.

(H) The Company shall as soon as practicable after the date hereof, at its own cost and expense, cause to be plainly, distinctly, permanently and conspicuously placed, fastened or painted upon each side of each item of Rolling Stock a legend bearing such words as the Collateral Agent may reasonably request in writing indicating the Lien over and security interest in such Rolling Stock created hereby in letters not less than one inch in height. The Company may permit the Rolling Stock to be operated within the United States and Canada, but shall not permit the Rolling Stock to be operated outside the boundaries of the continental United States and Canada.

(I) Without the prior written consent of the Majority Senior Creditors, the Company will not (a) sell, lease, exchange, assign or otherwise dispose of, or grant any option with respect to, any Collateral except, subject to the rights of the Collateral Agent and the Senior Creditors hereunder if an Event of Default shall have occurred and be continuing, as permitted under Section 13 of Appendix D of the Uniform Provisions and, in the case of any such disposition, the Security Interests created hereby in such item (but not in any Proceeds arising from such sale or exchange) shall cease immediately without any further action on the part of the Collateral Agent; or (b) create, incur or suffer to exist any Lien with respect to any Collateral, except for the Permitted Liens.

(J) The Company will maintain insurance in accordance with Section 3 of Appendix D of the Uniform Provisions.

(K) The Company will, promptly upon request, provide to the Collateral Agent all information and evidence it may reasonably request concerning the Collateral, and in particular the Accounts, to enable the Collateral Agent to enforce the provisions of this Agreement.

(L) The Company shall notify the Collateral Agent promptly if it knows, or has reason to know, that any application or registration relating to any material Copyright, Patent or Trademark may become abandoned or dedicated, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Copyright Office, the United States Patent and Trademark Office, or any court) regarding the Company's ownership of any material Copyright, Patent or Trademark, its right to register or patent the same, or to keep and maintain the same. In the event that any right to any material Copyright, Copyright License, Patent, Patent License, Trademark or Trademark License is infringed, misappropriated or diluted by a third party, the Company shall notify the Collateral Agent promptly after it learns thereof and shall, unless the Company shall reasonably determine that any such action would be of negligible economic value, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, and take such other actions as the Company shall reasonably deem appropriate under the circumstances to protect such Copyright, Copyright License, Patent, Patent License, Trademark or Trademark License. In no event shall the Company, either itself or through any agent, employee or licensee, file an application for the registration of any Copyright with the United States Copyright Office or any Patent or Trademark with the United States Patent and Trademark Office, or with any similar office or agency in any other country or any political subdivision thereof, unless not less than 30 days prior thereto it informs the Collateral Agent, and, upon request of the Collateral Agent, executes and delivers any and all agreements (including, with respect to Copyrights and Copyright Licenses, a Copyright Security Agreement), instruments, documents and papers the Collateral Agent may request to evidence the Security Interests in such Copyright, Patent or Trademark and the goodwill and general intangibles of the Company relating thereto or represented thereby, and the Company hereby constitutes the Collateral Agent its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power, being coupled with an interest, shall be irrevocable until the Secured Obligations are paid in full.

(M) Not more than six months nor less than 10 days prior to each date on which the Company proposes to take any action contemplated by Section 4(A)(I) or (II), the Company shall, at its cost and expense, cause to be delivered to the Secured Parties an opinion of counsel satisfactory to the Collateral Agent (the Company's general counsel being deemed to be satisfactory unless the Collateral Agent notifies the Company otherwise), with respect to the continuing perfection and protection of the Security Interests.

(N) Within five (5) Business Days of entering into, amending, modifying or terminating any material Rolling Stock Lease, the Company will deliver a copy of such Rolling Stock Lease, amendment or modification or notice of such termination to the Collateral Agent.

(O) From time to time upon request by the Collateral Agent, the Company shall, at its cost and expense, cause to be delivered to the Secured Parties an opinion of counsel (including, without limitation, an opinion of Darby & Darby or other special patent and trademark counsel acceptable to the Collateral Agent) satisfactory to the Collateral Agent as to such matters relating to the transactions contemplated hereby as the Majority Senior Creditors may reasonably request.

SECTION 5. Collateral Account and Lockbox Account

(A) There is hereby established with the Collateral Agent a cash collateral account (the "Collateral Account") in the name and under the control of the Collateral Agent into which there shall be deposited from time to time the cash proceeds of the Collateral required to be delivered to the Collateral Agent pursuant to (i) subsection (D) of this Section 5, (ii) Section 3.02(b)(i)(2) of the Credit Agreement or Section 8.6 of the Note Purchase Agreement, (iii) Section 3.03 of the Credit Agreement, (iv) the provisions of any Intercompany Note or (v) any other provision of this Agreement, any other Financing Document or any Interest Rate Agreement. Any income received by the Collateral Agent with respect to the balance from time to time standing to the credit of the Collateral Account, including any interest or capital gains on Liquid Investments, shall remain, or be deposited, in the Collateral Account. All right, title and interest in and to the cash amounts on deposit from time to time in the Collateral Account together with any Liquid Investments from time to time made pursuant to subsection (E) of this Section shall vest in the Collateral Agent, shall constitute part of the Collateral hereunder and shall not constitute payment of the Secured Obligations until applied thereto as hereinafter provided.

(B) As soon as practicable after the Closing Date, the Company shall instruct all account debtors and other Persons obligated in respect of all Accounts or in respect of any Rolling Stock Revenues to make all payments in respect of such Accounts or Rolling Stock Revenues to the Lockbox Bank (by instructing that such payments be remitted to the Post Office Box referred to in the Lockbox Agreement). In addition to the foregoing, the Company agrees that if the proceeds of any Collateral hereunder (including the payments made in respect of Accounts or Rolling Stock Revenues) shall be received by it, the Company shall as promptly as possible deposit such proceeds into the Lockbox Account. Until so deposited, all such proceeds shall be held in trust by the Company for and as the property of the Collateral Agent and the Secured Parties and shall not be commingled with any other funds or property of the Company.

(C) The balance from time to time standing to the credit of the Lockbox Account shall, except upon the occurrence and continuation of an Event of Default, be distributed to the Company upon the order of the Company. The Company may not withdraw any amounts from the Collateral Account without the prior written consent of the Collateral Agent. The Collateral Agent is hereby authorized and required to disburse amounts from the Collateral Account to the Company upon written certification from the Company that such amounts are to be used in accordance with the provisions of Section 3.02(b)(i)(2) of the Credit Agreement and Section 8.6 of the Note Purchase Agreement. The Collateral Agent shall apply amounts in the Collateral Account in accordance with the provisions of Section 3.03 of the Credit Agreement.

(D) Upon the occurrence and continuation of an Event of Default, the Collateral Agent shall, if so instructed by the Majority Senior Creditors, (i) deliver a Stop Transfer Notice (as defined in the Lockbox Agreement) to the Lockbox Bank and instruct the Lockbox Bank to transfer to the Collateral Account all funds then and thereafter standing to the credit of the Lockbox Account and (ii) apply or cause to be applied (subject to collection) any or all of the balance from time to time standing to the credit of the Collateral Account and the Lockbox Account in the manner specified in Section 9.

(E) Amounts on deposit in the Collateral Account and the Lockbox Account shall be invested and re-invested from time to time in such Liquid Investments as the Company shall determine, which Liquid Investments shall be held in the name and be under the control of the Collateral Agent, provided that, if an Event of Default has occurred and is

continuing, the Collateral Agent shall, if instructed by the Majority Senior Creditors, liquidate any such Liquid Investments and apply or cause to be applied the proceeds thereof to the payment of the Secured Obligations in the manner specified in Section 9. For this purpose, (i) each Liquid Investment shall mature within 30 days after it is acquired by the Collateral Agent and (ii) in order to provide the Collateral Agent, for the benefit of the Secured Parties, with a perfected security interest therein, each Liquid Investment shall be either:

(i) evidenced by negotiable certificates or instruments, or if non-negotiable then issued in the name of the Collateral Agent, which (together with any appropriate instruments of transfer) are delivered to, and held by, the Collateral Agent or an agent thereof (which shall not be the Company or any of its Affiliates) in the State of New York; or

(ii) in book-entry form and issued by the United States and subject to pledge under applicable state law and Treasury regulations and as to which (in the opinion of counsel to the Collateral Agent) appropriate measures shall have been taken for perfection of the Security Interests.

SECTION 6. General Authority

The Company hereby irrevocably appoints the Collateral Agent its true and lawful attorney, with full power of substitution, in the name of the Company, the Collateral Agent, the Secured Parties or otherwise, for the sole use and benefit of the Collateral Agent and the other Secured Parties, but at the Company's expense, to the extent permitted by law to exercise, at any time after the occurrence and during the continuance of an Event of Default, all or any of the following powers with respect to all or any of the Collateral:

(i) to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due thereon or by virtue thereof,

(ii) to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto,

(iii) to sell, transfer, assign or otherwise deal in or with the same or the proceeds or avails thereof, as fully and effectually as if the Collateral Agent were the absolute owner thereof, and

(iv) to extend the time of payment of any or all thereof and to make any allowance and other adjustments with reference thereto;

provided that the Collateral Agent shall give the Company not less than ten days' prior written notice of the time and place of any sale or other intended disposition of any of the Collateral, except any Collateral which is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market. To the extent permitted by law, the Collateral Agent and the Company agree that such notice constitutes "reasonable notification" within the meaning of Section 9-504(3) of the UCC.

SECTION 7. Remedies upon Event of Default

(A) If any Event of Default has occurred and is continuing, the Collateral Agent shall, in accordance with the written instructions of the Majority Senior Creditors, exercise on behalf of the Secured Parties all rights of a secured party under the UCC (whether or not in effect in the jurisdiction where such rights are exercised) and, in addition, the Collateral Agent may, without being required to give any notice, except as herein provided or as may be required by mandatory provisions of law, (i) withdraw all cash and Liquid Investments in the Collateral Account and apply such monies, Liquid Investments and other cash, if any, then held by it as Collateral as specified in Section 9 and (ii) if there shall be no such monies, Liquid Investments or cash or if such monies, Liquid Investments or cash shall be insufficient to pay all the Secured Obligations in full, sell the Collateral or any part thereof at public or private sale, for cash, upon credit or for future delivery, and at such price or prices as the Collateral Agent may deem satisfactory. The Collateral Agent or any other Secured Party may be the purchaser of any or all of the Collateral so sold at any public sale (or, if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, at any private sale) and thereafter hold the same, absolutely, free from any right or claim of whatsoever kind. The Company will execute and deliver such documents and take such other action as the Collateral Agent deems necessary or advisable in order that any such sale may be made in compliance with law. Upon any such sale the Collateral Agent shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral so sold. Each purchaser at any such sale shall hold the Collateral so sold to it absolutely, free from any claim or right of whatsoever kind, including any equity or right of redemption of the Company which may be waived, and the Company, to the extent permitted by law, hereby specifically waives all rights of redemption, stay or

appraisal which it has or may have under any law now existing or hereafter adopted. The notice (if any) of such sale required by Section 6 shall (1) in case of a public sale, state the time and place fixed for such sale, and (2) in the case of a private sale, state the day after which such sale may be consummated. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Collateral Agent may fix in the notice of such sale. At any such sale the Collateral may be sold in one lot as an entirety or in separate parcels, as the Collateral Agent may determine. The Collateral Agent shall not be obligated to make any such sale pursuant to any such notice. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned. In case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by the Collateral Agent until the selling price is paid by the purchaser thereof, but the Collateral Agent shall not incur any liability in case of the failure of such purchaser to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may again be sold upon like notice. The Collateral Agent, instead of exercising the power of sale herein conferred upon it, may in accordance with the instructions of the Majority Senior Creditors proceed by a suit or suits at law or in equity to foreclose the Security Interests and sell the Collateral, or any portion thereof, under a judgment or decree of a court or courts of competent jurisdiction.

(B) For the purpose of enforcing any and all rights and remedies under this Agreement the Collateral Agent may (i) require the Company to, and the Company agrees that it will, at its expense and upon the request of the Collateral Agent, forthwith assemble all or any part of the Collateral as directed by the Collateral Agent and make it available at a place designated by the Collateral Agent which is, in its opinion, reasonably convenient to the Collateral Agent and the Company, whether at the premises of the Company or otherwise, (ii) to the extent permitted by applicable law, enter, with or without process of law and without breach of the peace, any premise where any of the Collateral is or may be located, and without charge or liability to it seize and remove such Collateral from such premises, (iii) have access to and use the Company's books and records relating to the Collateral and (iv) prior to the disposition of the Collateral, store or transfer it without charge in or by means of any storage or transportation facility owned or leased by the Company, process, repair or recondition it or otherwise prepare it for disposition in

any manner and to the extent the Collateral Agent deems appropriate and, in connection with such preparation and disposition, use without charge any copyright, trademark, trade name, patent or technical process used by the Company.

(C) Without limiting the generality of the foregoing, if any Event of Default has occurred and is continuing,

(i) the Collateral Agent may license, or sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any Copyrights, Patents or Trademarks included in the Collateral throughout the world for such term or terms, on such conditions and in such manner as the Collateral Agent shall in its sole discretion determine;

(ii) the Collateral Agent may (without assuming any obligations or liability thereunder), at any time and from time to time, in its sole discretion, enforce (and shall have the exclusive right to enforce) against any licensee or sublicensee all rights and remedies of the Company in, to and under any Copyright Licenses, Patent Licenses or Trademark Licenses and take or refrain from taking any action under any thereof, and the Company hereby releases the Collateral Agent and each of the other Secured Parties from, and agrees to hold the Collateral Agent and each of the other Secured Parties free and harmless from and against any claims and expenses arising out of, any lawful action so taken or omitted to be taken with respect thereto, except for claims and expenses resulting from the gross negligence or willful misconduct of the Person taking or omitting to take such action; and

(iii) upon request by the Collateral Agent, the Company will execute and deliver to the Collateral Agent a power of attorney, in form and substance satisfactory to the Collateral Agent, for the implementation of any lease, assignment, license, sublicense, grant of option, sale or other disposition of a Copyright, Patent or Trademark or any action related thereto. In the event of any such disposition pursuant to this Section, the Company shall supply its know-how and expertise relating to the manufacture and sale of the products bearing Trademarks or the products or services made or rendered in connection with Patents, and its customer lists and other records relating to such Patents or Trademarks and to the distribution of said products, to the Collateral Agent.

SECTION 8. Limitation on Duty of Collateral Agent
in Respect of Collateral.

Beyond the exercise of reasonable care in the custody thereof, the Collateral Agent shall have no duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto. The Collateral Agent shall be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and shall not be liable or responsible for any loss or damage to any of the Collateral, or for any diminution in the value thereof, by reason of the act or omission of any warehouseman, carrier, forwarding agency, consignee or other agent or bailee selected by the Collateral Agent in good faith.

SECTION 9. Application of Proceeds

Upon the occurrence and during the continuance of an Event of Default, the proceeds of any sale of, or other realization upon, all or any part of the Collateral and any cash held in the Collateral Account shall be applied by the Collateral Agent in the order of priorities specified in Article VI of the Intercreditor Agreement.

SECTION 10. Assigned Agreements

The Company hereby irrevocably authorizes and empowers the Collateral Agent for and on behalf of the Secured Parties, in the Collateral Agent's sole discretion, if an Event of Default has occurred and is continuing, to assert, either directly or on behalf of the Company any claims the Company may have, from time to time, against any other party to the Assigned Agreements or to otherwise exercise any right or remedy of the Company under the Assigned Agreements (including, without limitation, the right to enforce directly against any party to an Assigned Agreement all of the Company's rights thereunder, to make all demands and give all notices and make all requests required or permitted to be made by the Company under the Assigned Agreements) as the Collateral Agent may deem proper. The Company hereby irrevocably makes, constitutes and appoints the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as the Company's true and lawful attorney-in-fact for the purpose of enabling the Collateral Agent, if an Event of Default has occurred and is continuing, to assert and collect such claims and to exercise such rights and

remedies. The Company shall keep the Collateral Agent informed of all material circumstances bearing upon the right, title and interest of the Company under the Assigned Agreements.

SECTION 11. Concerning the Collateral Agent

The provisions of Article VI of and Exhibit A to the Intercreditor Agreement shall inure to the benefit of the Collateral Agent in all respects hereunder and shall be binding upon the Senior Creditors and the Company in such respects.

SECTION 12. Appointment of Co-Collateral Agents

At any time or times, in order to comply with any legal requirement in any jurisdiction, the Collateral Agent may appoint another bank or trust company or one or more other persons, either to act as co-agent or co-agents, jointly with the Collateral Agent, or to act as separate agent or agents on behalf of the Secured Parties with such power and authority as may be necessary for the effectual operation of the provisions hereof and may be specified in the instrument of appointment (which may, in the discretion of the Collateral Agent, include provisions for the protection of such co-agent or separate agent similar to the provisions of Section 11).

SECTION 13. Expenses

In the event that the Company fails to comply with the provisions of the Financing Documents or this Agreement, such that the value of any Collateral or the validity, perfection, rank or value of any Security Interest is thereby diminished or potentially diminished or put at risk, the Collateral Agent if requested by the Majority Senior Creditors may, but shall not be required to, effect such compliance on behalf of the Company, and the Company shall reimburse the Collateral Agent for the costs thereof on demand. All insurance expenses and all expenses of protecting, storing, warehousing, appraising, insuring, handling, maintaining and shipping the Collateral, any and all excise, property, sales, and use taxes imposed by any state, federal, or local authority on any of the Collateral, or in respect of periodic appraisals and inspections of the Collateral to the extent the same may reasonably be requested by the Majority Senior Creditors acting through the Collateral Agent from time to time, or in respect of the sale or other disposition thereof, shall be borne and paid by the Company; and if the Company fails to promptly pay any portion thereof when due, except, if no Event of Default has occurred and is continuing, with respect to taxes which are being contested as permitted by Section 2 of Appendix D of

the Uniform Provisions, the Collateral Agent or any other Secured Party may, at its option, but shall not be required to, pay the same and charge the Company's account therefor, and the Company agrees to reimburse the Collateral Agent or such Secured Party therefor on demand. All sums so paid or incurred by the Collateral Agent or any other Secured Party for any of the foregoing and any and all other sums for which the Company may become liable hereunder and all costs and expenses (including attorneys' fees, legal expenses and court costs) reasonably incurred by the Collateral Agent or any other Secured Party in enforcing or protecting the Security Interests or any of their rights or remedies under this Agreement, shall, together with interest thereon for each day until paid at the Post-Default Rate for such day, be additional Secured Obligations hereunder.

SECTION 14. Termination of Security Interests;
Release of Collateral

Upon the repayment in full of all Secured Obligations and the termination of the Commitments and Letters of Credit under the Credit Agreement and the expiration or termination of the commitments of the Senior Creditors to make payments under any Interest Rate Agreements, the Security Interests shall terminate and all rights to the Collateral shall revert to the Company. At any time and from time to time prior to such termination of the Security Interests, the Collateral Agent shall release the Collateral in accordance with Section 5.02 of the Intercreditor Agreement and Section 5(C) hereof. Upon any such termination of the Security Interests or release of Collateral, the Collateral Agent will, at the expense of the Company, execute and deliver to the Company such documents as the Company shall reasonably request to evidence the termination of the Security Interests or the release of such Collateral, as the case may be.

SECTION 15. Notices

Unless otherwise specified herein, all notices, requests and other communications to any party hereunder shall be in writing (including bank wire, telex, facsimile copy or similar writing) and shall be given to such party at its address or telex or facsimile number specified beneath its signature hereto or such other address or telex or facsimile number as such party may hereafter specify for the purpose by notice to the Collateral Agent.

SECTION 16. Waivers, Non-Exclusive Remedies

No failure on the part of the Collateral Agent to exercise, and no delay in exercising and no course of dealing with respect to, any right under this Agreement, any other Financing Document or any Interest Rate Agreement shall operate as a waiver thereof; nor shall any single or partial exercise by the Collateral Agent of any right under this Agreement, any other Financing Document or any Interest Rate Agreement preclude any other or further exercise thereof or the exercise of any other right. The rights in this Agreement, the Financing Documents and the Interest Rate Agreements are cumulative and are not exclusive of any other remedies provided by law.

SECTION 17. Successors and Assigns

This Agreement is for the benefit of the Collateral Agent and the other Secured Parties and their successors and assigns, and in the event of an assignment of all or any of the Secured Obligations, the rights hereunder, to the extent applicable to the indebtedness so assigned, may be transferred with such indebtedness. This Agreement shall be binding on the Company and its successors and assigns and the rights of the Company hereunder shall inure to the benefit of the Company's successors and permitted assigns.

SECTION 18. Changes in Writing

Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally, but only in writing signed by the Company and the Collateral Agent with the consent of the Majority Senior Creditors (or, in the case of Section 14 or this Section, all of the Senior Creditors).

SECTION 19. NEW YORK LAW; SUBMISSION TO JURISDICTION;
WAIVER OF JURY TRIAL

THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, EXCEPT AS OTHERWISE REQUIRED BY MANDATORY PROVISIONS OF LAW AND EXCEPT TO THE EXTENT THAT REMEDIES PROVIDED BY THE LAWS OF ANY JURISDICTION OTHER THAN NEW YORK ARE GOVERNED BY THE LAWS OF SUCH JURISDICTION. THE COMPANY HEREBY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND OF ANY NEW YORK STATE COURT SITTING IN NEW YORK CITY FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE COMPANY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO

THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OF THE COMPANY AND THE COLLATERAL AGENT HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 20. Severability

If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Collateral Agent and the other Secured Parties in order to carry out the intentions of the parties hereto as nearly as may be possible; and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

SECTION 21. Counterparts

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

HAMPSHIRE CHEMICAL CORP.

By Robert L. Rosen
Title: Executive Vice President

Address for Notices:

55 Hayden Avenue
Lexington, MA 02173
Attn: Christopher Manos,
Chief Financial Officer
Telecopy Number: 617-674-1419

THE CHASE MANHATTAN BANK
(NATIONAL ASSOCIATION),
as Collateral Agent

By Michael J. McGovern
Title: Vice President.

Address for Notices:

The Chase Manhattan Bank
(National Association)
4 Metrotech Center, 13th Floor
Brooklyn, New York 11245
Attention: New York Agency

Telex Number: 6720516 CMB NYA UW
62910 CMB UW
Telecopy Number: (718) 242-6411

Copy to:

The Chase Manhattan Bank
(National Association)
1 Chase Manhattan Plaza
New York, New York 10081
Attention: Michael J. McGovern

Telex Number: 125563
Telecopy Number: (212) 552-7175

.STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

I, Barbara Haft, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that Robert L. Rosner, Executive Vice President of HAMPSHIRE CHEMICAL CORP., personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Executive Vice President, appeared before me this day in person and acknowledged that ~~(s)~~ he signed, executed and delivered the said instrument as ~~her~~/his own free and voluntary act and as the free and voluntary act of said Company, for the uses and purposes therein set forth being duly authorized so to do.

GIVEN under my hand and Notarial Seal this 29th day of December, 1992.

[Seal]

Barbara Haft
Signature of notary public
My Commission expires 5/4/94

BARBARA HAFT
Notary Public, State of New York
No. 31-4995884
Qualified in New York County
Commission Expires May 4, 1994

.STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

I, Barbara Haft, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that Michael J. McGowan, Vice President of THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Vice President, appeared before me this day in person and acknowledged that ~~(s)~~he signed, executed and delivered the said instrument as ~~her~~his own free and voluntary act and as the free and voluntary act of said Company, for the uses and purposes therein set forth being duly authorized so to do.

GIVEN under my hand and Notarial Seal this 29th day of December, 1992.

[Seal]

Barbara Haft
Signature of notary public
My Commission expires 5/4/94

BARBARA HAFT
Notary Public, State of New York
No. 314906664
Qualified in New York County
Commission Expires May 4, 1994

EXHIBIT A
to
COMPANY SECURITY
AGREEMENT

PERFECTION CERTIFICATE

The undersigned, the chief financial officer of HAMPSHIRE CHEMICAL CORP. a Delaware corporation (the "Company"), hereby certifies with reference to the Company Security Agreement dated as of December 29, 1992, between the Company and The Chase Manhattan Bank (National Association), as Collateral Agent (terms defined therein or as provided therein being used herein as therein defined), to the Collateral Agent and each Senior Creditor as follows:

1. Names. (a) The exact corporate name of each of the Company and W.R. Grace & Co.-Conn. ("Grace") as it appears in its certificate of incorporation is as follows:

Company

HAMPSHIRE CHEMICAL CORP.

Grace

W.R. GRACE & CO.-CONN.

(b) (i) Set forth below is each other corporate name the Company has had since its organization, together with the date of the relevant change:

NONE

(ii) Set forth below is each other corporate name Grace has had since its organization, together with the date of the relevant change:

W.R. GRACE & CO. (changed May 25, 1988)

(c) Neither the Company nor Grace has changed its identity or corporate structure in any way within the past five years.

(d) The following is a list of all other trade names or similar appellations used by the Company or any of its divisions or other business units or the Organic Chemicals Division of Grace (the "OCD") at any time during the past five years:

Company

NONE

OCD

HAMPSHIRE CHEMICALS
POLYMERS & CHEMICALS
EVANS CHEMETICS

2. Current Locations. (a) (i) The chief executive office of the Company is located at the following address:

<u>Mailing Address</u>	<u>County</u>	<u>State</u>
55 Hayden Avenue Lexington, MA 02173	Middlesex	MA

(ii) The chief executive office of Grace is located at the following address:

<u>Mailing Address</u>	<u>County</u>	<u>State</u>
1 Town Center Road Boca Raton, FL 33486-1010	Palm Beach	FL

(b) The following are all the locations where the Company (or, immediately prior to the Acquisition, the OCD) maintains any books or records relating to any Accounts:

<u>Name</u>	<u>Mailing Address</u>	<u>County</u>	<u>State</u>
Grace	1 Town Center Rd. Boca Raton, FL 33486-1010	Palm Beach	FL
Company	55 Hayden Ave. Lexington, MA 02173	Middlesex	MA

Polymers & Chemicals	5225 US 60 E Owensboro, KY 423033	Daviess	KY
Hampshire Chemical	2 E Spit Brook Rd. Nashua, NH 03061	Hillsborough	NH
Evans Chemetics	228 Main Street Waterloo, NY 13165	Seneca	NY
Hampshire Chemical Plant	1747 Fort Amanda Rd. Lima, OH 45804	Allen	OH
Specialty Chemical Plant	739 Battleground Rd. Deer Park, TX 77536	Harris	TX

(c) The following are all the places of business of the Company (or, immediately prior to the Acquisition, of the OCD) not identified above:

<u>Name</u>	<u>Mailing Address</u>	<u>County</u>	<u>State</u>
Wilchem Co.	888 Columbia St. Brea, CA	Orange	CA
California Warehouse	4455 Fruitland Ave. Los Angeles, CA	Los Angeles	CA
Matlack Inc.	9400 Cherry Avenue Fontana, CA	San Bernadino	CA
Tremont Supply	7235 Tremont Rd. Dixon, CA	Solano	CA
Chemurgic Chemical	Turlock, CA	Stanislous	CA
Dewey & Almy	San Leandro, CA	Alameda	CA
DSI Transports	Fairburn, GA	Fulton	GA
W.R. Grace	5210 Phillip Lee Dr. Atlanta, GA	De Kalb	GA

Seeler Industries	Three River Terminal 2000 N Broadway Joliet, IL	Will	IL
Kaltron, Inc.	2951 Old Higgins Rd. Elk Grove Village, IL	Cook	IL
Chem Serv	715 SE 8th Street Minneapolis, MN	Hennepin	MN
Van Waters & Rogers	2818 E Marshall Ave. Longview, TX	Gregg	TX
Van Waters & Rogers	777 Brisbane Houston, TX	Harris	TX
Van Waters & Rogers	1490 McKesson Dr. Beaumont, TX	Jefferson	TX
Hampshire Chemical	Lloyd Garrison 2443 Prospect Drive Upland, CA	San Bernadino	CA
Evans Chemetics	R.H. Funke, Jr. 72 Barclay Drive Stamford, CT 06903	Fairfield	CT
Evans Chemetics	R.W. Baer 59 Hilltop Drive Stamford, CT 06611	Fairfield	CT
Hampshire Chemical	Byron Telage 2 Brewster St. Nashau, NH 03060	Hillsborough	NH
Hampshire Chemical	Donald R. Bambrick 9 Roberge Drive Amherst, NH 03031	Hillsborough	NH
Hampshire Chemical	Frank Smigelsky 5500 Main Street Williamsville, NY 14221	Erie	NY
Evans Chemicals	Peter Nichols 90 Park Ave., 16th Fl New York, NY 10016	New York	NY
Polymers & Chemicals	Frank Kraus P.O. Box 58656 Cincinnati, OH 45258	Hamilton	OH

(d) The following are all the locations where the Company (or, immediately prior to the Acquisition, the OCD) maintains any Inventory not identified above:

<u>Name</u>	<u>Mailing Address</u>	<u>County</u>	<u>State</u>
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NONE

(e) The following are the names and addresses of all Persons other than the Company (or, immediately prior to the Acquisition, the OCD) which have possession of any of the Company's (or the OCD's) Inventory:

<u>Name</u>	<u>Mailing Address</u>	<u>County</u>	<u>State</u>
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NONE

3. Prior Locations. (a) Set forth on Schedule 3 hereto is the information required by subparagraphs (a), (b) and (c) of paragraph 2 with respect to each other location or place of business maintained by the Company or the OCD (other than sales offices not containing any Inventory, any Equipment or any books or records relating to any Accounts) at any time during the past five years.

(b) Set forth below is the information required by subparagraphs (d) and (e) of paragraph 2 with respect to each location or bailee where or with whom Inventory has been lodged at any time during the past four months:

NONE

4. Unusual Transactions. All Accounts have been originated by the Company or the OCD and all Inventory and Equipment has been acquired by the Company or the OCD in the ordinary course of its business.

5. File Search Reports. Attached hereto as Schedule 5(A) is a true copy of a file search report from the Uniform Commercial Code filing officer in each jurisdiction identified in paragraph 2 or 3 above, other than Palm Beach County, Florida; Yolo and San Joaquin Counties, California; Multnomah County, Oregon; and Hockley County, Oregon (collectively, the "Pending Counties") and other than San Bernadino County, California; Fairfield County, Connecticut;

Erie and New York Counties, New York; and Hamilton County, Ohio (collectively, the "Sales Office Counties"), with respect to each name set forth in paragraph 1 above, other than the name specified in paragraph 1(b)(ii). Attached hereto as Schedule 5(B) is a true copy of each financing statement or other filing identified in such file search reports. UCC file searches have been ordered with respect to each of the Pending Counties; the file search reports and financing statements resulting from such searches will be attached to Schedules 5(A) and 5(B), respectively, promptly upon receipt thereof.

6. UCC Filings. A duly signed financing statement on Form UCC-1 in substantially the form of Schedule 6 hereto has been duly delivered to the Collateral Agent for filing in the Uniform Commercial Code filing office in each jurisdiction identified in paragraph 2 above, other than the Sales Office Counties.

7. Schedule of Filings. Attached hereto as Schedule 7 is a schedule setting forth filing information, to the extent available on the date hereof, with respect to the filings described in paragraph 6 above.

8. Filing Fees. All filing fees and taxes payable in connection with the filings described in paragraph 6 above have been or, to the best knowledge of the undersigned, will be paid when due.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of December, 1992.

Title:

PRIOR LOCATIONS

<u>Address</u>	<u>County</u>
Hampshire Chemical Agriform Farms Supply Woodland, California	Yolo County
Hampshire Chemical Don Public Warehouse 455 W. Cermak Road Chicago, Illinois	Cook County
Hampshire Chemical Don Public Warehouse 7715 South 78th Avenue Bridgeview, Illinois	Cook County
Hampshire Chemical Sykes Terminal Chicago, Illinois	Cook County
Hampshire Chemical Law Warehouse Nashua, New Hampshire	Hillsborough County
Hampshire Chemical Brea Ag Services Stockton, Ca.	San Joaquin County
Hampshire Chemical Los Angeles Chem 4545 Ardine Street South Gate, California	Los Angeles County
Hampshire Chemical Grady Warehouse Manchester, New Hampshire	Hillsborough County
Hampshire Chemical Giannecchini Farms 15822 E. Highway 26 Linden, California	San Joaquin County
Hampshire Chemical B&O Portland, Oregon	Multnomah County
Hampshire Chemical WCS Corp. Haywood, Ca.	

Hampshire Chemical
Diggins and Rose Moving Systems
The corner of Bridge Street and
Jackson Street
Nashua, New Hampshire

Hillsborough County

Polymers & Chemicals
W. R. Grace
Construction Products Division
Los Angeles, California

Los Angeles County

Hampshire Chemical
Longhorn Transportation
1007 West Highway 114
Levelland, Texas

Hockley County

Evans Chemetics
Kaltron Inc.
1654 Carmen Drive
Elk Grove, Village, Illinois

Cook County

Evans Chemetics
Chem Serv
207 NE Sixth Street
Minneapolis, Minnesota

Hennepin County

Description of Collateral

All accounts, chattel paper, contract rights, general intangibles, inventory, equipment and documents, now owned or hereafter acquired, wherever located, and all proceeds thereof; and all shares of capital stock and instruments issued by Hampshire Chemical Limited and Hampshire Chemical GmbH, and their successors, now owned or hereafter acquired by Debtor, and all of Debtor's rights and privileges with respect thereto, and all income and profits thereon, and all dividends and other payments and distributions with respect thereto, and all proceeds of the foregoing, including all cash proceeds and all accounts, chattel paper, contract rights, general intangibles, inventory, equipment and documents constituting noncash proceeds, in each case now owned or hereafter acquired and wherever located.

SCHEDULE OF FILINGS

<u>Debtor</u>	<u>Filing Officer</u>	<u>File Number</u>	<u>Date of Filing</u> *
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*Indicate lapse date, if other than fifth anniversary.

EXHIBIT B
to
COMPANY SECURITY
AGREEMENT

PATENT SECURITY AGREEMENT

(PATENTS, PATENT APPLICATIONS AND PATENT LICENSES)

WHEREAS, Hampshire Chemical Corp., a Delaware corporation (herein referred to as "Grantor") owns the Patents (as defined in the Security Agreement referred to below) listed on Schedule 1 annexed hereto, and is a party to the Patent Licenses (as defined in the Security Agreement referred to below) identified in Schedule 1 annexed hereto;

WHEREAS, Grantor, certain lenders, The Chase Manhattan Bank (National Association) and Fleet Credit Corporation, as co-agents, and The Chase Manhattan Bank (National Association), as administrative agent, are parties to a Credit Agreement of even date herewith (as the same may be amended and in effect from time to time among said parties and such lenders (the "Lenders") as may from time to time be parties thereto, the "Credit Agreement");

WHEREAS, the Company and New York Life Insurance Company (the "Note Purchaser") are parties to a Note Purchase Agreement of even date herewith (as the same may be amended and in effect from time to time, the "Note Purchase Agreement", and together with the Credit Agreement, the "Senior Creditor Agreements");

WHEREAS, Grantor may, after the date hereof, become obligated to the Senior Creditors in respect of indebtedness under one or more Interest Rate Agreements (as defined in the Credit Agreement);

WHEREAS, pursuant to the terms of the Company Security Agreement of even date herewith (as said Agreement may be amended and in effect from time to time, the "Security Agreement") between Grantor and The Chase Manhattan Bank (National Association), as collateral agent for the secured parties referred to therein (in such capacity, together with its successors in such capacity, "Grantee"), Grantor has granted to Grantee for the benefit of such secured parties a continuing security interest in substantially all the assets of Grantor, including all right, title and interest of Grantor in, to and under the Patent Collateral (as defined herein) whether now owned or existing or hereafter acquired or

arising, to secure the Secured Obligations (as defined in the Security Agreement), which include obligations of Grantor under the aforementioned Senior Creditor Agreements and Interest Rate Agreements;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Patent Collateral"), whether now owned or existing or hereafter acquired or arising:

(i) each Patent, including, without limitation, each Patent referred to in Schedule 1 annexed hereto;

(ii) each Patent License, including, without limitation, each Patent License identified in Schedule 1 annexed hereto; and

(iii) all proceeds of and revenues from the foregoing, including, without limitation, all proceeds of and revenues from any claim by Grantor against third parties for past, present or future infringement of any Patent, including, without limitation, any Patent referred to in Schedule 1 annexed hereto (including, without limitation, any such Patent issuing from any application referred to in Schedule 1 annexed hereto), and all rights and benefits of Grantor under any Patent License, including, without limitation, any Patent License identified in Schedule 1 annexed hereto.

Grantor hereby irrevocably constitutes and appoints Grantee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full power and authority in the name of Grantor or in its name, from time to time, in Grantee's discretion, so long as any Event of Default (as defined in Appendix E of the Uniform Provisions (as defined in the Security Agreement)) has occurred and is continuing, to take with respect to the Patent Collateral any and all appropriate action which Grantor might take with respect to the Patent Collateral and to execute any and all documents and instruments which may be necessary or desirable to carry out the terms of this Patent Security Agreement and to accomplish the purposes hereof.

Except to the extent not prohibited in the Senior Creditor Agreements, Grantor agrees not to sell, license, exchange, assign or otherwise transfer or dispose of, or grant any rights with respect to, or mortgage or otherwise encumber, any of the foregoing Patent Collateral.

This security interest is granted in conjunction with the security interests granted to Grantee pursuant to the Security Agreement. Grantor does hereby further acknowledge and affirm that the rights and remedies of Grantee with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be duly executed by its officer thereunto duly authorized as of the ____ day of December, 1992.

HAMPSHIRE CHEMICAL CORP.

By: _____
Title:

Acknowledged:

THE CHASE MANHATTAN BANK
(NATIONAL ASSOCIATION),
as Collateral Agent

By: _____
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

I, _____, a Notary Public in and
for said County, in the State aforesaid, DO HEREBY CERTIFY,
that _____ of HAMPSHIRE
CHEMICAL CORP., personally known to me to be the same person
whose name is subscribed to the foregoing instrument as such
_____, appeared before me this day in person and
acknowledged that (s)he signed, executed and delivered the
said instrument as her/his own free and voluntary act and as
the free and voluntary act of said Company, for the uses and
purposes therein set forth being duly authorized so to do.

GIVEN under my hand and Notarial Seal this ____ day
of December, 1992.

[Seal]

Signature of notary public
My Commission expires _____

A. Granted Patents

<u>U.S. Patent No.</u>	<u>Grant Date</u>
3,567,752	March 2, 1971
3,812,618	May 28, 1974
3,812,619	May 28, 1974
3,833,386	September 3, 1974
3,854,535	December 17, 1974
3,856,922	December 24, 1974
3,861,993	January 21, 1975
3,874,964	April 1, 1975
3,889,417	June 17, 1975
3,890,254	June 17, 1975
3,897,372	July 29, 1975
3,903,232	September 2, 1975
3,904,557	September 9, 1975
3,904,585	September 9, 1975
3,904,668	September 9, 1975
3,929,574	December 30, 1975
3,932,501	January 13, 1976
3,946,139	March 23, 1976
3,947,496	March 30, 1976
3,959,191	May 25, 1976
3,964,960	June 22, 1976
3,985,801	October 12, 1976
3,987,077	October 19, 1976
3,988,360	October 26, 1976
3,988,367	October 26, 1976
3,993,681	November 23, 1976
4,041,148	August 9, 1977
4,049,592	September 20, 1977
4,058,527	November 15, 1977
4,058,528	November 15, 1977
4,059,548	November 22, 1977
4,061,662	December 6, 1977
4,061,864	December 6, 1977
4,066,578	January 3, 1978
4,069,249	January 17, 1978
4,088,132	May 9, 1978
4,094,744	June 13, 1978
4,098,645	July 4, 1978
4,110,508	August 29, 1978
4,119,602	October 10, 1978
4,127,516	November 28, 1978
4,129,694	December 12, 1978

<u>U.S. Patent No.</u>	<u>Grant Date</u>
4,132,839	January 2, 1979
4,137,200	January 30, 1979
4,139,607	February 13, 1979
4,152,345	May 1, 1979
4,156,096	May 22, 1979
4,156,592	May 29, 1979
4,158,087	June 12, 1979
4,160,076	July 3, 1979
4,165,411	August 21, 1979
4,169,175	September 25, 1979
4,175,198	November 20, 1979
4,181,672	January 1, 1980
4,182,649	January 8, 1980
4,195,127	March 25, 1980
4,201,846	May 6, 1980
4,211,847	July 8, 1980
4,225,502	September 30, 1980
4,225,504	September 30, 1980
4,230,822	October 28, 1980
4,237,182	December 2, 1980
4,237,229	December 2, 1980
4,241,537	December 30, 1980
4,246,146	January 20, 1981
4,250,267	February 10, 1981
4,254,177	March 3, 1981
4,258,137	March 24, 1981
4,273,913	June 16, 1981
4,292,412	September 29, 1981
4,293,679	October 6, 1981
4,297,482	October 27, 1981
4,309,509	January 5, 1982
4,312,946	January 26, 1982
4,314,034	February 2, 1982
4,329,427	May 11, 1982
4,338,460	July 6, 1982
4,342,834	August 3, 1982
4,349,494	September 14, 1982
4,358,899	November 16, 1982
4,365,025	December 21, 1982
4,367,259	January 4, 1983
4,371,611	February 1, 1983
4,377,645	March 22, 1983
4,381,332	April 26, 1983
4,384,050	May 17, 1983
4,384,051	May 17, 1983
4,387,244	June 7, 1983

<u>U.S. Patent No.</u>	<u>Grant Date</u>
4,403,083	September 6, 1983
4,421,853	December 20, 1983
4,421,854	December 20, 1983
4,439,553	March 27, 1984
4,456,685	June 26, 1984
4,510,097	April 9, 1985
4,526,936	July 2, 1985
4,547,590	October 15, 1985
4,558,101	December 10, 1985
4,560,653	December 24, 1985
4,584,399	April 22, 1986
4,710,583	December 1, 1987
4,721,811	January 26, 1988
4,734,401	March 29, 1988
4,744,990	May 17, 1988
4,789,757	December 6, 1988
4,801,742	January 31, 1989
4,810,817	March 7, 1989
4,855,455	August 8, 1989
4,859,591	August 22, 1989
4,869,889	September 26, 1989
4,871,552	October 3, 1989
4,873,359	October 10, 1989
4,886,866	December 12, 1989
4,895,971	January 23, 1990
4,986,976	January 22, 1991
4,961,321	October 9, 1990
5,002,872	March 26, 1991
5,008,428	April 16, 1991
5,011,968	April 30, 1991
5,011,988	April 30, 1991
5,017,690	May 21, 1991
5,023,371	June 11, 1991
5,039,458	August 13, 1991
5,079,380	January 7, 1992
5,096,934	March 17, 1992
5,097,072	March 17, 1992
5,102,792	April 7, 1992
5,104,909	April 14, 1992
5,110,965	May 5, 1992
5,159,094	October 27, 1992
5,159,110	October 27, 1992
5,171,477	December 15, 1992
5,175,229	December 29, 1992
5,177,243	January 5, 1993
4,304,935	December 8, 1981
5,149,873	September 22, 1992

B. Patent Applications

<u>U.S. Serial No.</u>	<u>Filing Date</u>
44,808	June 1, 1979
83,741	August 7, 1987
115,790	January 28, 1980
116,287	January 28, 1980
130,826	December 9, 1987
135,878	December 21, 1987
187,934	September 17, 1980
187,938	September 17, 1980
187,939	September 17, 1980
220,562	December 29, 1980
237,324	February 23, 1981
250,012	May 3, 1972
256,265	April 21, 1981
275,639	November 22, 1988
291,875	August 11, 1981
298,327	October 17, 1972
300,765	January 23, 1989
303,222	September 17, 1981
306,930	February 7, 1989
323,219	November 20, 1981
372,497	June 28, 1989
392,326	August 11, 1989
401,521	August 4, 1989
404,824	October 9, 1973
409,971	September 18, 1989
419,919	October 11, 1989
427,414	October 26, 1989
470,493	May 16, 1974
475,557	February 5, 1990
520,632	August 5, 1983
532,752	September 16, 1983
568,300	January 5, 1984
577,969	May 15, 1975
591,578	October 2, 1990
597,247	October 11, 1990
597,258	July 18, 1975
612,660	November 9, 1990
616,018	June 1, 1984
622,246	October 14, 1975
625,736	December 11, 1990
627,969	July 5, 1984
644,025	December 24, 1975
655,586	September 28, 1984

<u>U.S. Serial No.</u>	<u>Filing Date</u>
660,982	February 24, 1976
670,799	March 18, 1991
670,800	March 18, 1991
671,538	March 29, 1976
674,251	April 6, 1976
676,392	March 28, 1991
686,643	April 17, 1991
701,285	May 16, 1991
701,417	May 15, 1991
705,276	May 24, 1991
711,574	August 4, 1976
722,042	April 11, 1985
732,029	July 18, 1991
732,791	May 10, 1985
741,510	June 5, 1985
741,845	August 6, 1991
743,846	June 12, 1985
746,431	August 16, 1991
750,427	August 19, 1991
763,049	September 20, 1991
764,589	September 24, 1991
789,593	October 21, 1985
792,124	November 14, 1991
795,216	May 9, 1977
805,765	December 12, 1991
806,567	December 12, 1991
809,363	December 18, 1991
824,637	January 23, 1992
825,361	January 24, 1992
831,628	September 8, 1977
840,306	March 17, 1986
843,867	February 27, 1992
849,999	November 9, 1977
850,065	November 9, 1977
854,045	March 18, 1992
858,387	March 25, 1992
875,553	April 27, 1992
903,154	May 5, 1978
906,004	June 26, 1992
922,264	July 30, 1992
932,080	November 18, 1986
944,027	December 28, 1986
958,376	October 8, 1992
969,705	October 29, 1992

C. Exclusive Patent Licenses

1. Technology License Agreement, dated November 25, 1992, by and between W.R. Grace & Co.-Conn. and Hampshire Chemicals Corp., with respect to certain shared patent technology.

EXHIBIT C
to
COMPANY SECURITY
AGREEMENT

TRADEMARK SECURITY AGREEMENT

(TRADEMARKS, TRADEMARK REGISTRATIONS, TRADEMARK
APPLICATIONS AND TRADEMARK LICENSES)

WHEREAS, Hampshire Chemical Corp., a Delaware corporation (herein referred to as "Grantor"), owns the Trademarks (as defined in the Security Agreement referred to below) listed on Schedule 1 annexed hereto, and is a party to the Trademark Licenses (as defined in the Security Agreement referred to below) identified in Schedule 1 annexed hereto;

WHEREAS, Grantor, certain lenders, The Chase Manhattan Bank (National Association) and Fleet Credit Corporation, as co-agents, and The Chase Manhattan Bank (National Association), as administrative agent, are parties to a Credit Agreement of even date herewith (as the same may be amended and in effect from time to time among said parties and such lenders (the "Lenders") as may from time to time be parties thereto, the "Credit Agreement");

WHEREAS, the Company and New York Life Insurance Company (the "Note Purchaser") are parties to a Note Purchase Agreement of even date herewith (as the same may be amended and in effect from time to time, the "Note Purchase Agreement", and, together with the Credit Agreement, the "Senior Creditor Agreements");

WHEREAS, Grantor may, after the date hereof, become obligated to the Senior Creditors in respect of indebtedness under one or more Interest Rate Agreements (as defined in the Credit Agreement);

WHEREAS, pursuant to the terms of the Company Security Agreement of even date herewith (as said Agreement may be amended and in effect from time to time, the "Security Agreement") between Grantor and The Chase Manhattan Bank (National Association), as collateral agent for the secured parties referred to therein (in such capacity, together with its successors in such capacity, "Grantee"), Grantor has granted to Grantee for the benefit of such secured parties a security interest in substantially

all the assets of Grantor, including all right, title and interest of Grantor in, to and under the Trademark Collateral (as defined herein), whether now owned or existing or hereafter acquired or arising, to secure the Secured Obligations (as defined in the Security Agreement), which include obligations of Grantor under the aforementioned Senior Creditor Agreements and Interest Rate Agreements;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether now owned or existing or hereafter acquired or arising:

(i) each Trademark, including, without limitation, each Trademark application referred to in Schedule 1 annexed hereto, and all of the goodwill of the business connected with the use of, or symbolized by, each such Trademark;

(ii) each Trademark License including, without limitation, each Trademark License identified in Schedule 1 annexed hereto, and all of the goodwill of the business connected with the use of, or symbolized by, each Trademark licensed pursuant thereto; and

(iii) all proceeds of and revenues from the foregoing, including, without limitation, all proceeds of and revenues from any claim by Grantor against third parties for past, present or future unfair competition with, or violation of intellectual property rights in connection with or injury to, or infringement or dilution of, any Trademark, including, without limitation, any Trademark referred to in Schedule 1 hereto, and all rights and benefits of Grantor under any Trademark License, including, without limitation, any Trademark License identified in Schedule 1 hereto, or for injury to the goodwill associated with any of the foregoing.

Grantor hereby irrevocably constitutes and appoints Grantee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full power and authority in the name of Grantor or in its name, from time to time, in Grantee's discretion, so long as any Event of Default (as defined in Appendix E of the Uniform Provisions (as defined in the Security Agreement)) has occurred and is continuing, to take with

respect to the Trademark Collateral any and all appropriate action which Grantor might take with respect to the Trademark Collateral and to execute any and all documents and instruments which may be necessary or desirable to carry out the terms of this Trademark Security Agreement and to accomplish the purposes hereof.

Except to the extent not prohibited in the Senior Creditor Agreements, Grantor agrees not to sell, license, exchange, assign or otherwise transfer or dispose of, or grant any rights with respect to, or mortgage or otherwise encumber, any of the foregoing Trademark Collateral.

This security interest is granted in conjunction with the security interests granted to Grantee pursuant to the Security Agreement. Grantor does hereby further acknowledge and affirm that the rights and remedies of Grantee with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

IN WITNESS WHEREOF, Grantor has caused this
Trademark Security Agreement to be duly executed by its
officer thereunto duly authorized as of the ____ day of
December, 1992.

HAMPSHIRE CHEMICAL CORP.

By: _____
Title: _____

Acknowledged:

THE CHASE MANHATTAN BANK
(NATIONAL ASSOCIATION),
as Collateral Agent

By: _____
Title: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

I, _____, a Notary Public in and
for said County, in the State aforesaid, DO HEREBY CERTIFY,
that _____ of
HAMPSHIRE CHEMICAL CORP., personally known to me to be the
same person whose name is subscribed to the foregoing
instrument as such _____, appeared before me
this day in person and acknowledged that (s)he signed,
executed and delivered the said instrument as her/his own
free and voluntary act and as the free and voluntary act of
said Company, for the uses and purposes therein set forth
being duly authorized so to do.

GIVEN under my hand and Notarial Seal this ____ day
of December, 1992.

[Seal]

Signature of notary public
My Commission expires _____

U.S. TRADEMARKS, TRADEMARK REGISTRATIONS
AND TRADEMARK APPLICATIONS

A. U.S. Trademarks and Trademark Registrations

<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
CHEMETICS	1291695	8/28/84
CHEMETICS	1291593	8/28/84
DARAN	1278531	5/22/84
DARAN	1187637	1/26/82
DARATAK	871102	6/17/69
DAXAD	338977	9/22/36
DESIGN MISCELLANEOUS (Horse Shoe Magnet)	1103259	10/3/78
EVANACID	547238	8/28/51
EVANCURE & Design	1190998	3/2/82
EVANGARD	938390	7/25/72
EVANSTAB	938391	7/25/72
EVANS CHEMETICS	1279410	5/29/84
EVANS CHEMETICS	1268829	3/6/84
EVERFLEX	766128	3/10/64
HAMP-ENE	711063	2/14/61
HAMP-EX	711062	2/14/61
HAMPAMIDE	1228021	2/22/83
HAMP-IRON	1132515	4/8/80
HAMPLEX	1141940	12/2/80
HAMP-OL	711064	2/14/61
HAMPOSYL	802914	2/1/66
HAMPSHIRE	1064213	4/26/77
HAMP-TEX	1150732	4/14/81

B. U.S. Trademark Applications

HYPOL	982390	4/23/74
THIOVANIC	432383	9/2/47
THIOVANIC	987175	7/2/74
THIOVANOL	987654	7/9/74
THIOVANOL	433177	9/30/47
VERSAFLEX	0909870	3/16/71

<u>Trademark</u>	<u>Application No.</u>	<u>Filing Date</u>
HYPOL PREMA	74/311620	9/8/92

C. Exclusive Trademark Licenses

1. Darex Trademark License Agreement, dated November 25, 1992, by and between W.R. Grace & Co.-Conn. and Hampshire Chemical Corp.
2. Detarex Trademark License Agreement Agreement, dated November 25, 1992, by and between Rexolin Chemicals Aktiebolag and Hampshire Chemical Corp.
3. Hampiron and Hampshire Trademark License Agreement, dated November 25, 1992, by and between W.R. Grace & Co.-Conn. and Hampshire Chemical Corp.

EXHIBIT D
to
COMPANY SECURITY
AGREEMENT

COPYRIGHT SECURITY AGREEMENT

(COPYRIGHTS, COPYRIGHT REGISTRATIONS, COPYRIGHT
APPLICATIONS AND COPYRIGHT LICENSES)

WHEREAS, Hampshire Chemical Corp., a Delaware corporation (herein referred to as "Grantor") owns the Copyrights (as defined in the Security Agreement referred to below) listed on Schedule 1 annexed hereto, and is a party to the Copyright Licenses (as defined in the Security Agreement referred to below) identified in Schedule 1 annexed hereto;

WHEREAS, Grantor, certain lenders, The Chase Manhattan Bank (National Association) and Fleet Credit Corporation, as co-agents, and The Chase Manhattan Bank (National Association), as administrative agent, are parties to a Credit Agreement of even date herewith (as the same may be amended and in effect from time to time among said parties and such lenders (the "Lenders") as may from time to time be parties thereto, the "Credit Agreement");

WHEREAS, the Company and New York Life Insurance Company (the "Note Purchaser") are parties to a Note Purchase Agreement of even date herewith (as the same may be amended and in effect from time to time, the "Note Purchase Agreement", and, together with the Credit Agreement, the "Senior Creditor Agreements");

WHEREAS, Grantor may, after the date hereof, become obligated to the Senior Creditors in respect of indebtedness under one or more Interest Rate Agreements (as defined in the Credit Agreement);

WHEREAS, pursuant to the terms of the Company Security Agreement of even date herewith (as said Agreement may be amended and in effect from time to time, the "Security Agreement") between Grantor and The Chase Manhattan Bank (National Association), as collateral agent for the secured parties referred to therein (in such capacity, together with its successors in such capacity, the "Grantee"), Grantor has granted to Grantee for the benefit of such secured parties a security interest in substantially

all the assets of the Grantor, including all right, title and interest of Grantor in, to and under the Copyright Collateral (as defined herein), whether now owned or existing or hereafter acquired or arising, to secure the Secured Obligations (as defined in the Security Agreement), which include obligations of Grantor under the aforementioned Senior Creditor Agreements and Interest Rate Agreements;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Copyright Collateral"), whether now owned or existing or hereafter acquired or arising:

(i) each Copyright, including, without limitation, each Copyright referred to in Schedule 1 annexed hereto;

(ii) each Copyright License, including, without limitation, each Copyright License identified in Schedule 1 annexed hereto; and

(iii) all proceeds of and revenues from the foregoing, including, without limitation, all proceeds of and revenues from any claim by Grantor against third parties for past, present or future infringement of any Copyright, including, without limitation, any Copyright referred to in Schedule 1 annexed hereto, and all rights and benefits of Grantor under any Copyright License, including, without limitation, any Copyright License identified in Schedule 1 annexed hereto.

Grantor hereby irrevocably constitutes and appoints Grantee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full power and authority in the name of Grantor or in its name, from time to time, in Grantee's discretion, so long as any Event of Default (as defined in Appendix E of the Uniform Provisions (as defined in the Security Agreement)) has occurred and is continuing, to take with respect to the Copyright Collateral any and all appropriate action which Grantor might take with respect to the Copyright Collateral and to execute any and all documents and instruments which may be necessary or desirable to carry out the terms of this Copyright Security Agreement and to accomplish the purposes hereof.

Except to the extent not prohibited in the Senior Creditor Agreements, Grantor agrees not to sell, license, exchange, assign or otherwise transfer or dispose of, or grant any rights with respect to, or mortgage or otherwise encumber, any of the foregoing Copyright Collateral.

This security interest is granted in conjunction with the security interests granted to Grantee pursuant to the Security Agreement. Grantor does hereby further acknowledge and affirm that the rights and remedies of Grantee with respect to the security interest in the Copyright Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

IN WITNESS WHEREOF, Grantor has caused this
Copyright Security Agreement to be duly executed by its
officer thereunto duly authorized as of the ____ day of
December, 1992.

HAMPSHIRE CHEMICAL CORP.

By: _____
Title:

Acknowledged:

THE CHASE MANHATTAN BANK
(NATIONAL ASSOCIATION),
as Collateral Agent

By: _____
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

I, _____, a Notary Public in and
for said County, in the State aforesaid, DO HEREBY CERTIFY,
that _____ of
HAMPSHIRE CHEMICAL CORP. , personally known to me to be the
same person whose name is subscribed to the foregoing
instrument as such _____, appeared before me
this day in person and acknowledged that (s)he signed,
executed and delivered the said instrument as her/his own
free and voluntary act and as the free and voluntary act of
said Company, for the uses and purposes therein set forth
being duly authorized so to do.

GIVEN under my hand and Notarial Seal this ____ day
of December, 1992.

[Seal]

Signature of notary public
My Commission expires _____

COPYRIGHTS AND COPYRIGHT REGISTRATION

<u>Registration No.</u>	<u>Reg. Date</u>	<u>Title</u>
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COPYRIGHT APPLICATIONS

<u>Serial No.</u>	<u>Date Filed</u>	<u>Title</u>
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COPYRIGHT LICENSES

<u>Name of Agreement</u>	<u>Parties Licensor/Licensee</u>	<u>Date of Agreement</u>	<u>Subject Matter</u>
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Rolling Stock Owned

None

Rolling Stock Leased

CAR	NUMBER	CONTRACT	RENTAL	EXP. DATE	PLANT	CAPACITY	SERVICE
ACFX	47012	3586	380	02/28/95	NASHUA	4650	SALT CAKE
ACFX	47014	3586	380	02/28/95	NASHUA	4650	SALT CAKE
ACFX	47025	3586	380	02/28/95	NASHUA	4650	SALT CAKE
ACFX	47035	3586	380	02/28/95	NASHUA	4650	SALT CAKE
ACFX	6665	3562	235	05/31/90	NASHUA	10.6M	TO BE TURNED IN
ACFX	6734	3562	235	05/31/90	NASHUA	10.6M	TO BE TURNED IN
ACFX	6753	3562	235	05/31/90	NASHUA	10.6M	TO BE TURNED IN
ACFX	6769	3562	235	05/31/90	NASHUA	10.6M	TO BE TURNED IN
ACFX	6773	3562	235	05/31/90	NASHUA	10.6M	TO BE TURNED IN
ACFX	14658	3684	175	05/31/90	NASHUA	10M	CHELATE
ACFX	14659	3684	175	05/31/90	NASHUA	10M	CHELATE
ACFX	71827	4240	1265	07/31/95	NASHUA	20.4M	HCN
ACFX	71828	4240	1265	07/31/95	NASHUA	20.4M	HCN
ACFX	71829	4240	1265	07/31/95	NASHUA	20.4M	HCN
ACFX	71830	4240	1265	07/31/95	NASHUA	20.4M	HCN
ACFX	71831	4240	1265	07/31/95	NASHUA	20.4M	HCN
ACFX	71832	4240	1265	07/31/95	NASHUA	20.4M	HCN
UTLX	83006	UTILFAX AU02	595	08/31/95	NASHUA	30M	ANHYD. AMMONIA
UTLX	83039	UTILFAX AU02	595	08/31/95	NASHUA	30M	ANHYD. AMMONIA
UTLX	83044	UTILFAX AU02	595	08/31/95	NASHUA	30M	ANHYD. AMMONIA
ACFX	46482	573	335	11/30/92	DEER PARK	4650	SALT CAKE
ACFX	46641	573	335	11/30/92	NASHUA	4650	SALT CAKE
UTLX	75809	RIDER 2	485	02/28/93	DEER PARK	23.5M	NAPHTHALENE
UTLX	75834	RIDER 2	485	02/28/93	DEER PARK	23.5M	NAPHTHALENE
ACFX	6745	3562	330	05/31/93	NASHUA	10.6M	NACN
ACFX	6747	3562	330	05/31/93	NASHUA	10.6M	NACN
ACFX	47354	4909	350	05/31/93	NASHUA	4650	SALT CAKE
ACFX	47897	4909	350	05/31/93	DEER PARK	4650	SALT CAKE
ACFX	47350	4911	350	05/31/93	DEER PARK	4650	SALT CAKE
GATX	56601	9514 R9	555	07/31/93	DEER PARK	23.5M	NAPHTHALENE

CAR	NUMBER	CONTRACT	RENTAL	EXP. DATE	PLANT	CAPACITY	SERVICE
GATX	56602	9514 R9	555	07/31/93	DEER PARK	23.5M	NAPHTHALENE
GATX	56603	9514 R9	555	07/31/93	DEER PARK	23.5M	NAPHTHALENE
ACFX	47061	5060	325	08/31/93	DEER PARK	4650	SALT CAKE
ACFX	47904	5060	325	08/31/93	DEER PARK	4650	SALT CAKE
ACFX	49136	3140	500	10/31/93	ATLANTA D&A	4650CF	SUBLEASED 5-93
UTLX	83067	RIDER 3	485	12/31/93	NASHUA	30M	ANHYD.AMMONIA
UTLX	83071	RIDER 3	485	12/31/93	NASHUA	30M	ANHYD.AMMONIA
UTLX	83073	RIDER 3	485	12/31/93	NASHUA	30M	ANHYD.AMMONIA
GATX	70179	9514 R13	985	01/01/94	NASHUA	20M	HCN
GATX	70182	9514 R13	985	01/01/94	NASHUA	20M	HCN
GATX	70185	9514 R13	985	01/01/94	NASHUA	20M	HCN
GATX	70187	9514 R13	985	01/01/94	NASHUA	20M	HCN
GATX	70188	9514 R13	985	01/01/94	NASHUA	20M	HCN
GATX	70190	9514 R13	985	01/01/94	NASHUA	20M	HCN
ACFX	74074	5149	366	01/31/94	DEER PARK	4000	SALT CAKE
ACFX	74096	5149	366	01/31/94	DEER PARK	4000	SALT CAKE
ACFX	74100	5149	366	01/31/94	DEER PARK	4000	SALT CAKE
ACFX	72896	5062	572	02/28/94	NASHUA	18.6M	CHELATE
ACFX	72897	5062	572	02/28/94	NASHUA	18.6M	CHELATE
ACFX	72898	5062	572	02/28/94	NASHUA	18.6M	CHELATE
ACFX	72899	5062	572	02/28/94	NASHUA	18.6M	CHELATE
ACFX	72900	5110	795	02/28/94	NASHUA	18M/2	CHELATE
GATX	46672	3070 R1	340	03/31/94	DEER PARK	20M	STORAGE (DAXAD)
GATX	46673	3070 R1	340	03/31/94	DEER PARK	20M	STORAGE (DAXAD)
ACFX	77256	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77257	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77258	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77259	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77260	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77261	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77262	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77263	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77264	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77265	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77266	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77267	3875	1275	03/31/94	NASHUA	20.4M	HCN

CAR	NUMBER	CONTRACT	RENTAL	EXP. DATE	PLANT	CAPACITY	SERVICE
ACFX	77268	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77269	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77270	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77271	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77272	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77273	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77274	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77275	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77276	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77277	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77278	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77279	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	77280	3875	1275	03/31/94	NASHUA	20.4M	HCN
ACFX	746	3910	325	03/31/94	LIMA	10.6M	NACN
ACFX	760	3910	325	03/31/94	NASHUA	10.6M	NACN
ACFX	6702	3910	325	03/31/94	LIMA	10.6M	NACN
ACFX	19108	3910	325	03/31/94	LIMA	10.6M	NACN
GATX	11934	9514 R1	485	03/31/94	NASHUA	20M	CHELATE
GATX	11935	9514 R1	485	03/31/94	NASHUA	20M	CHELATE
GATX	11936	9514 R1	485	03/31/94	DEER PARK	20M	STORAGE (DAXAD)
GATX	11937	9514 R1	485	03/31/94	DEER PARK	20M	STORAGE (DAXAD)
GATX	11938	9514 R1	485	03/31/94	DEER PARK	20M	STORAGE (DAXAD)
ACFX	77773	1060	395	05/31/94	NASHUA	16.1M	CHELATE
ACFX	77774	1060	395	05/31/94	NASHUA	16.1M	CHELATE
GATX	70176	9514 R14	985	08/31/94	NASHUA	20M	HCN
GATX	70184	9514 R14	985	08/31/94	NASHUA	20M	HCN
GATX	70186	9514 R14	985	08/31/94	NASHUA	20M	HCN
GATX	70191	9514 R14	985	08/31/94	NASHUA	20M	HCN
ACFX	89822	189	395	10/31/94	NASHUA	16M	CHELATE
ACFX	18650	4228	350	11/30/94	NASHUA	34M	ANHYD. AMMONIA
ACFX	18978	4228	350	11/30/94	NASHUA	34M	ANHYD. AMMONIA
ACFX	80095	4228	350	11/30/94	NASHUA	34M	ANHYD. AMMONIA
ACFX	76548	5675	445	12/31/94	DEER PARK	21M	DAXAD
UTLX	78475	RIDER 4	505	12/31/94	DEER PARK	23.5M	NAPHTHALENE
UTLX	79997	RIDER 4	505	12/31/94	DEER PARK	23.5M	NAPHTHALENE
NADY	110000	1822-29 R7	250	06/30/95	DEER PARK	50 FT	DRUM STORAGE

CAR	NUMBER	CONTRACT	RENTAL	EXP. DATE	PLANT	CAPACITY	SERVICE
GATX	22265	9514 R10	435	07/31/95	NASHUA	16.8	CHELATE
GATX	22313	9514 R10	435	07/31/95	NASHUA	16.8	CHELATE
GATX	11183	9514 R11	570	07/31/95	DEER PARK	23.5	NAPHTHALENE
GATX	11184	9514 R11	570	07/31/95	DEER PARK	23.5	NAPHTHALENE
ACFX	18926	3807	375	09/30/95	NASHUA	34M	ANHYD. AMMONIA
ACFX	19962	3807	375	09/30/95	NASHUA	34M	ANHYD. AMMONIA
ACFX	19963	3807	375	09/30/95	NASHUA	34M	ANHYD. AMMONIA
ACFX	17302	4991	450	05/31/96	NASHUA	33M	ANHYD. AMMONIA
ACFX	80138	4991	450	05/31/96	NASHUA	34M	ANHYD. AMMONIA
ACFX	17950	4120	450	07/31/96	NASHUA	34M	ANHYD. AMMONIA
ACFX	71779	4226	486	02/28/97	NASHUA	18M	CHELATE
ACFX	71780	4226	486	02/28/97	NASHUA	18M	CHELATE
ACFX	71781	4226	486	02/28/97	NASHUA	18M	CHELATE
ACFX	71833	4246	505	02/28/97	OWENSBORO	18.6M	DARAN
ACFX	71834	4246	505	02/28/97	OWENSBORO	18.6M	DARAN
ACFX	71835	4246	505	02/28/97	OWENSBORO	18.6M	DARAN
ACFX	71836	4246	505	02/28/97	OWENSBORO	18.6M	DARAN
ACFX	71837	4246	505	02/28/97	OWENSBORO	18.6M	DARAN
ACFX	71838	4246	505	02/28/97	NASHUA	18.6M	CHELATE
ACFX	71839	4246	505	02/28/97	NASHUA	18.6M	CHELATE
MSDR	194372	1822-29	250	08/31/93	DEER PARK	50 FT	DRUM STORAGE
NATX	75260	1822-29	385	96	NASHUA	20.0M	CHELATE

EXHIBIT F
to
COMPANY SECURITY
AGREEMENT

LOCKBOX AGREEMENT

LOCKBOX AGREEMENT, dated as of December 29, 1992, among HAMPSHIRE CHEMICAL CORP., a Delaware corporation (the "Company"), THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), as Collateral Agent under the Security Agreement referred to below (the "Collateral Agent"), and THE FIRST NATIONAL BANK OF BOSTON (the "Lockbox Bank").

W I T N E S S E T H:

WHEREAS, the Company and the Collateral Agent, as Collateral Agent, have entered into a Company Security Agreement dated as of December 29, 1992 (as the same may be amended from time to time, the "Security Agreement") under which the Company has granted a continuing security interest in and to the Collateral (as defined in the Security Agreement) to secure its obligations under the Financing Documents and the Interest Rate Agreements (defined as provided in the Security Agreement);

WHEREAS, pursuant to the Security Agreement, the Company has agreed to instruct certain obligors to make payments to P.O. Box 3600-71, Dorchester MA 02125 (the "Post Office Box"); and

WHEREAS, the Company has requested that the Lockbox Bank establish and maintain a bank account as further described herein, and the Lockbox Bank is willing to establish and maintain such account pursuant to this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Post Office Box; Deposits into the Lockbox Account.

(a) The Lockbox Bank shall have unrestricted and exclusive access to the Post Office Box for the purpose of collecting mail for delivery and deposit into the Lockbox Account (as defined below) (even though addressed to the Company) and shall collect the mail delivered thereto on each business day in accordance with the Lockbox Bank's regular collection schedule.

(b) The contents of the mail collected from the Post Office Box, whether consisting of cash, checks, drafts, bills of exchange, money orders or other instruments or documents, shall be promptly deposited by the Lockbox Bank into the Lockbox Account. The term "Lockbox Account" means account no. 541-40143 at The First National Bank of Boston.

(c) The Lockbox Bank shall prepare one photocopy of the front of each check, draft, bill of exchange, money order or other instrument or document (collectively, hereinafter called the "checks"; individually, a "check") with the date of deposit to be shown on the bottom edge thereof. Attachments received with payments, such as detachable stubs, together with any correspondence and the individual envelope, are to be affixed to the photocopy of the check.

(d) The Lockbox Bank shall endorse all checks which appear to be in order for deposit into the Lockbox Account and shall process each item under the same terms and conditions as would apply if the Lockbox Bank or the Company had made the deposit directly. The Lockbox Bank shall endorse all such checks as follows:

"DEPOSIT TO THE ACCOUNT OF AND WITHOUT PREJUDICE TO THE
WITHIN NAMED PAYEE LOCKBOX SERVICES"

This endorsement may be made by use of a payee endorsement stamp.

(e) Undated checks may be dated by the Lockbox Bank to agree with the postmark date and included in the regular deposit. Checks incorrectly made out, where numerical and written amounts differ, are to be deposited for the written amount only. Checks bearing no signature are to be stamped with a "Kindly Refer to Maker" stamp and processed. Third-party checks may be deposited into the Lockbox Account if properly endorsed.

(f) Checks bearing the legend "Payment in Full" or words of similar import, either typed or handwritten, and checks that the Lockbox Bank, in its normal banking

practices and in its sole discretion, decides to submit to the special attention of the Company or the Collateral Agent, shall be withheld from the clearing system and sent to the Company or, at any time after receipt by the Lockbox Bank of written notice from the Collateral Agent, to the entity designated in a written notice from the Collateral Agent. Should the Lockbox Bank by reason of the exercise of its judgment, or through inadvertence or oversight, process any of the checks covered by this Section 1(f) for collection and credit such checks to the Lockbox Account, the Company and the Collateral Agent agree that the Lockbox Bank shall incur no responsibility or liability.

(g) The details representing deposited items, adding machine tapes, advice of credit, etc., together with all other materials rejected for various reasons, and so marked, shall be sent by the Lockbox Bank to the Company or, at any time after receipt by the Lockbox Bank of written notice from the Collateral Agent, to the entity designated in a written notice from the Collateral Agent. Checks returned unpaid because of uncollected or insufficient funds shall be redeposited without advice. Checks returned a second time shall be charged to the Lockbox Account and mailed with appropriate advice to the Company or, at any time after receipt by the Lockbox Bank of written notice from the Collateral Agent, to the entity designated in a written notice from the Collateral Agent.

(h) The Lockbox Bank shall maintain a microfilm record of each check included in the Lockbox Account in accordance with the Lockbox Bank's normal lockbox procedures. This film shall be available for use by the Company and the Collateral Agent.

(i) The Company shall deposit such amounts into the Lockbox Account as are required to be so deposited pursuant to Section 5 of the Security Agreement.

Section 2. The Lockbox Account and Transfers Therefrom.

(a) Unless and until the Lockbox Bank receives notice from the Collateral Agent that the provisions of Section 2(b) are to be implemented, which notice shall be effective upon receipt by the Lockbox Bank (a "Stop Transfer Notice"), the Lockbox Bank will debit the Lockbox Account in accordance with the Company's instructions.

(b) After receipt by the Lockbox Bank of a Stop Transfer Notice, the Lockbox Bank will cease debiting the Lockbox Account in accordance with the Company's instructions (but may continue to debit the Lockbox Account in accordance with Section 1(g)) and will disburse funds

from the Lockbox Account only in accordance with instructions from the Collateral Agent.

Section 3. Miscellaneous.

(a) The Company hereby agrees to immediately notify its account debtors which have not already been notified to send all their remittances to the Post Office Box.

(b) The Lockbox Bank's compensation for providing the services contemplated herein shall be as mutually agreed between the Company and the Lockbox Bank from time to time.

(c) The Lockbox Bank undertakes to perform only such duties as are expressly set forth herein and are normally undertaken by the Lockbox Bank in connection with its lockbox processing. Notwithstanding any other provision of this Agreement, it is agreed by the parties to this Agreement that the Lockbox Bank shall not be liable for any action taken by the Lockbox Bank or any of its directors, officers, agents or employees in accordance with this Agreement except for the Lockbox Bank's (or any director's, officer's, agent's or employee's) gross negligence or willful misconduct. In no event shall the Lockbox Bank be liable for losses or delays resulting from acts of God, force majeure, computer malfunctions, interruptions of communication facilities, labor difficulties or other causes beyond the Lockbox Bank's reasonable control or for indirect, special or consequential damages.

(d) All notices or other written communications hereunder shall be sent:

in the case of the Lockbox Bank, to:

The First National Bank of Boston
Attn: Lisa Licata 3-1-10
2 Morrissey Blvd.
Dorchester, MA 02125

in the case of the Company, to:

Hampshire Chemical Corp.
55 Hayden Avenue
Lexington, Massachusetts 02173
Attn: Christopher Manos
Chief Financial Officer

in the case of the Collateral Agent, to:

The Chase Manhattan Bank
(National Association)
1 Chase Manhattan Plaza
New York, New York 10081
Attention: Michael J. McGovern

(e) The Lockbox Bank shall not assert, claim or endeavor to exercise any right of set-off or banker's lien against any funds which may at any time be deposited in the Lockbox Account, or any items or proceeds thereof that come into the Lockbox Bank's possession in connection with this Agreement, except to the extent otherwise provided in the last sentence of Section 1(g) and except for fees payable pursuant to Section 3(b).

(f) During the term of the Security Agreement, this Agreement may be terminated only by the Lockbox Bank, and then only upon written notice to the other parties; provided that such termination shall not be effective until the earlier of (i) such time as a successor bank shall have been appointed and shall have accepted the responsibilities, duties and obligations of the Lockbox Bank under this Agreement and (ii) 5:00 P.M. (New York time) on the 60th day after receipt of such written notice. In the event that the Lockbox Bank receives remittances following such termination, it will forward such remittances to such successor bank (or, if no successor bank has been appointed and shall have accepted the responsibilities, duties and obligations of the Lockbox Bank under this Agreement, then as directed by the Collateral Agent) and the Company shall compensate the Lockbox Bank for such services at the price agreed to pursuant to Section 3(b) hereof.

(g) Neither this Agreement nor any provision hereof may be changed, amended, modified or waived orally, but only by an instrument in writing signed by the parties hereto.

(h) This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(i) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

(j) This Agreement may be executed in any number of counterparts which together shall constitute one and the same instrument.

(k) The Company agrees to pay, indemnify and hold the Lockbox Bank harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (including, without limitation, legal fees) with respect to the performance of this Agreement by the Lockbox Bank or of its directors, officers, agents or employees, unless arising from its or such natural persons' own gross negligence or willful misconduct. The provisions of this paragraph shall survive termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

HAMPSHIRE CHEMICAL CORP.

By: _____
Title:

THE FIRST NATIONAL BANK OF BOSTON

By: _____
Title:

THE CHASE MANHATTAN BANK
(NATIONAL ASSOCIATION),
as Collateral Agent

By: _____
Title: